Appl. No. 10/774,136
Reply to Office Action of June 2, 2005

## REMARKS

The personal interview granted by Examiner Nguyen on August 16, 2005, was greatly appreciated, and it is felt understandings were reached as to the claims in the subject application. Prior to the interview, the application contained allowable claims 35-39; claims 4, 7, and 8, which were objected to as being dependent upon a rejected base claim; and claims 1, 3, and 6, which were rejected under Section 103.

It is believed an agreement was made during the interview that if claim 1 was amended to overcome the new matter issue and to remove the ambiguity raised through use of the term "cylindrical drum," that the claim should be in allowable form. Claims 3, 4, and 6-8, being dependent directly or indirectly on claim 1, would also then be allowable.

Claim 1 has been amended to remove the terminology "substantially contiguous" and replaced with –closely adjacent—and it was agreed this would remove the new matter issues. The closely adjacent relationship of the strips is illustrated in Fig. 18 and therefore constituted part of the original disclosure and defining that relationship is therefore not felt to constitute new matter.

Claim 1 has also been amended to state the take-up roller has a "cylindrical surface" and the web supply system delivers the web material to the "cylindrical surface" as opposed to –cylindrical drum—as was found previously in the claim. This change being made to the claim is also felt to remove the ambiguity previously present in the claim.

While claims 1, 3 and 6 were rejected under Section 103 as being obvious in view of Schulze and Rundo, and in the case of claim 3 further in view of Javery et al., the distinctions between the disclosures in these references and the present invention

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were discussed and it is believed an agreement was reached that the present invention is patentably distinct from the prior art in that the invention as claimed is directed to the handling of a web of material that has been divided into closely adjacent strips before being wound onto the take-up roller and wherein a diverter system, that is engageable with the web of material in which the strips have been formed, reciprocally moves the web of material as it is being wound onto the drum. The prior art fails to disclose such a concept and the concept is further not rendered obvious by the prior art.

Having amended the claims to overcome the objections thereto under Section 132 and having clarified the patentable distinctions of the current system from the prior art, it is felt the application is now in condition for allowance and such action is courteously requested.

Dated this 24 day of August 2005.

Respectfully submitted,

Gary M. Polumbus, Reg. No. 25,364

USPTO Clustomer No. 20686

Tel: (303) 628-1500 Fax: (303) 629-3450

e-mail: polumbus.gary@dorsey.com

GMP/dtc

cc: HDBV and HDI (HN-069.03-353).